

Consolidated Cash Flow Statement

For the year ended 31st March, 2003

	NOTES	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES			
Loss before taxation		(18,463)	(4,263)
Adjustments for:			
Share of results of associates		(1,927)	(5,135)
Interest income		(5,999)	(7,606)
Interest expenses		68	228
Dividend income		–	(7)
Depreciation		4,844	7,310
Net realised and unrealised holding loss (gain) on investments in securities		1,431	(15,479)
Loss on disposal of property, plant and equipment		6,091	4,855
Impairment loss on property, plant and equipment		1,218	–
Deficit on revaluation of properties		78	579
Gain on disposal of discontinuing operations		–	(260)
Operating cash flows before movements in working capital		(12,659)	(19,778)
Decrease in inventories		14,384	31,304
(Increase) decrease in debtors, deposits and prepayments		(2,305)	40,156
Decrease (increase) in amounts due from customers for contract work		324	(1,568)
Increase in investments in securities		(16,562)	(73,248)
Increase (decrease) in bills payable		1,509	(3,525)
Decrease in creditors, deposits and accruals		(23,838)	(9,029)
Increase in amounts due to customers for contract work		78	4,452
Increase (decrease) in deferred service income		536	(3,261)
Exchange difference		1,014	(1,631)
Cash used in operations		(37,519)	(36,128)
Profits tax paid		(1,814)	(5,322)
Profits tax refunded		725	56
Interest paid		(68)	(228)
NET CASH USED IN OPERATING ACTIVITIES		(38,676)	(41,622)
INVESTING ACTIVITIES			
Interest received		6,236	6,437
Dividend received from an associate		10,386	–
Dividends received from investments in securities		–	7
Repayment from (advances to) an associate		219	(793)
Purchase of property, plant and equipment		(6,595)	(9,980)
Proceeds from disposal of property, plant and equipment		957	438
Cash inflow (outflow) arising on disposal of a subsidiary	22	1,058	(18)
NET CASH FROM (USED IN) INVESTING ACTIVITIES		12,261	(3,909)

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For the year ended 31st March, 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
FINANCING ACTIVITIES		
Dividends paid	–	(17,136)
Advances from (repayments to) ultimate holding company	4,834	(1,482)
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NET CASH FROM (USED IN) FINANCING ACTIVITIES	4,834	(18,618)
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Net decrease in cash and cash equivalents	(21,581)	(64,149)
Cash and cash equivalents at beginning of the year	170,240	233,719
Effect of changes in foreign exchange rates	301	670
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Cash and cash equivalents at end of the year	148,960	170,240
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Being:		
Bank balances and cash equivalents	149,033	170,338
Bank overdrafts	(73)	(98)
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	148,960	170,240
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